

**Subpart C—Oil and Gas, Onshore  
[Reserved]**

**Subpart D—Oil, Gas, and Sulfur,  
Offshore [Reserved]**

**Subpart E—Solid Minerals, General**

**§ 216.200 [Reserved]**

**§ 216.201 Mine Information Report.**

The Mine Information Form (Form MMS-4050) must be filed for each mine that includes Federal or Indian leases in its approved mining plan. The completed form must be filed by the operator of the mine/lease(s). Form MMS-4050 must be filed at the request of the MMS initially during the conversion of the mine/lease(s) to the PAAS.

**§ 216.202 Facility and Measurement Information Form.**

The Facility and Measurement Information Form (Form MMS-4051) must be filed for each facility or measurement device which handles solid mineral production from any Federal or Indian lease, or federally approved agreement, through the point of first sale or the point of royalty computation, whichever is applicable. The completed form must be filed by the operator of the facility or measurement device. Form MMS-4051 must be filed initially at the request of the MMS during the conversion of facility and measurement device operators to the PAAS. Subsequent to conversion, Form MMS-4051 must be filed with MMS/RMP no later than 30 days after establishment of a new facility or measurement device, or a change to any existing facility or measurement device that handles production attributable to any Federal or Indian lease, or federally approved agreement, through the point of first sale or royalty computation, whichever is applicable.

**§ 216.203 Solid Minerals Operations Report.**

The Solid Minerals Operation Report (Form MMS-4059) must be submitted by all Federal and Indian lease operators of producing mines that are part of an approved mine plan. Form MMS-4059 must be filed for the same period

established for payment for royalties in the lease terms, unless a different reporting frequency is established by an MMS authorized official, and on or before the 15th day of the second month following the period being reported until all the leases within a mine are terminated or until omission of the report is authorized by the MMS.

**§ 216.204 Solid Minerals Facility Report.**

The Solid Minerals Facility Report (Form MMS-4060) must be filed by operators of secondary processing facilities that handle production attributable to Federal or Indian leases where royalty is determined after processing. The report period is monthly, unless a longer period is specified in the lease document, or otherwise approved by the MMS. The Form MMS-4060 must be filed on or before the 15th day of the second month following the period being reported.

**Subpart F—Coal [Reserved]**

**Subpart G—Other Solid Minerals  
[Reserved]**

**Subpart H—Geothermal  
Resources [Reserved]**

**Subpart I—Indian Land [Reserved]**

**PART 217—AUDITS AND  
INSPECTIONS**

**Subpart A—General Provisions [Reserved]**

**Subpart B—Oil and Gas, General**

Sec.

217.50 Audits of records.

217.51 Lease account reconciliation.

217.52 Definitions.

**Subpart C—Oil and Gas, Onshore  
[Reserved]**

**Subpart D—Oil, Gas and Sulfur, Offshore  
[Reserved]**

**Subpart E—Coal**

217.200 Audits.

**Subpart F—Other Solid Minerals**

217.250 Audits.

## Minerals Management Service, Interior

§ 217.250

### Subpart G—Geothermal [Reserved]

### Subpart H—Indian Lands [Reserved]

AUTHORITY: 35 Stat. 312; 35 Stat. 781, as amended; secs. 32, 6, 26, 41 Stat. 450, 753, 1248; secs. 1, 2, 3, 44 Stat. 301, as amended; secs. 6, 3, 44 Stat. 659, 710; secs. 1, 2, 3, 44 Stat. 1057; 47 Stat. 1487; 49 Stat. 1482, 1250, 1967, 2026; 52 Stat. 347; sec. 10, 53 Stat. 1196, as amended; 56 Stat. 273; sec. 10, 61 Stat. 915; sec. 3, 63 Stat. 683; 64 Stat. 311; 25 U.S.C. 396, 396a-f, 30 U.S.C. 189, 271, 281, 293, 359. Interpret or apply secs. 5, 5, 44 Stat. 302, 1058, as amended; 58 Stat. 483-485; 5 U.S.C. 301, 16 U.S.C. 508b, 30 U.S.C. 189, 192c, 271, 281, 293, 359, 43 U.S.C. 387, unless otherwise noted.

### Subpart A—General Provisions [Reserved]

### Subpart B—Oil and Gas, General

AUTHORITY: The Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 *et seq.*).

SOURCE: 49 FR 37345, Sept. 21, 1984, unless otherwise noted.

#### § 217.50 Audits of records.

The Secretary, or his/her authorized representative, shall initiate and conduct audits relating to the scope, nature and extent of compliance by lessees, operators, revenue payors, and other persons with rental, royalty, net profit share and other payment requirements on a Federal or Indian oil and gas lease. Audits also will relate to compliance with applicable regulations and orders. All audits will be conducted in accordance with the notice and other requirements of 30 U.S.C. 1717.

#### § 217.51 Lease account reconciliation.

Specific lease account reconciliations shall be performed with priority being given to reconciling those lease accounts specifically identified by a State or Indian tribe as having significant potential for underpayment.

#### § 217.52 Definitions.

Terms used in this subpart shall have the same meaning as in 30 U.S.C. 1702.

### Subpart C—Oil and Gas, Onshore [Reserved]

### Subpart D—Oil, Gas and Sulfur, Offshore [Reserved]

### Subpart E—Coal

#### § 217.200 Audits.

An audit of the accounts and books of operators/lessees for the purpose of determining compliance with Federal lease terms relating to Federal royalties may be required annually or at other times as directed by the Associate Director for Royalty Management. The audit shall be performed by a qualified independent certified public accountant or by an independent public accountant licensed by a State, territory, or insular possession of the United States or the District of Columbia, and at the expense of the operator/lessee. The operator/lessee shall furnish, free of charge, duplicate copies of audit reports that express opinions on such compliance to the Associate Director for Royalty Management within 30 days after the completion of each audit. Where such audits are required, the Associate Director for Royalty Management will specify the purpose and scope of the audit and the information which is to be verified or obtained.

[47 FR 33195, July 30, 1982. Redesignated at 48 FR 35641, Aug. 5, 1983]

### Subpart F—Other Solid Minerals

#### § 217.250 Audits.

An audit of the lessee's accounts and books may be made annually or at such other times as may be directed by the mining supervisor, by certified public accountants, and at the expense of the lessee. The lessee shall furnish free of cost duplicate copies of such annual or other audits to the mining supervisor, within 30 days after the completion of each auditing.

[37 FR 11041, June 1, 1972. Redesignated at 48 FR 35641, Aug. 5, 1983]

**Subpart G—Geothermal  
[Reserved]**

**Subpart H—Indian Lands  
[Reserved]**

**PART 218—COLLECTION OF ROYALTIES, RENTALS, BONUSES AND OTHER MONIES DUE THE FEDERAL GOVERNMENT**

**Subpart A—General Provisions**

**Sec.**

- 218.10 Information collection.
- 218.40 Assessments for incorrect or late reports and failure to report.
- 218.41 Assessments for failure to submit payment of same amount as Form MMS–2014 or bill document or to provide adequate information.
- 218.42 Cross-lease netting in calculation of late-payment interest.

**Subpart B—Oil and Gas, General**

- 218.50 Timing of payment.
- 218.51 How to make payments.
- 218.52 How does a lessee designate a Designee?
- 218.53 Recoupment of overpayments on Indian mineral leases.
- 218.54 Late payments.
- 218.55 Interest payments to Indians.
- 218.56 Definitions.
- 218.57 Providing information and claiming rewards.

**Subpart C—Oil and Gas, Onshore**

- 218.100 Royalty and rental payments.
- 218.101 Royalty and rental remittance (naval petroleum reserves).
- 218.102 Late payment or underpayment charges.
- 218.103 Payments to States.
- 218.104 Exemption of States from certain interest and penalties.
- 218.105 Definitions.

**Subpart D—Oil, Gas and Sulfur, Offshore**

- 218.150 Royalties, net profit shares, and rental payments.
- 218.151 Rentals.
- 218.152 Fishermen's Contingency Fund.
- 218.153 [Reserved]
- 218.154 Effect of suspensions on royalty and rental.
- 218.155 Method of payment.
- 218.156 Definitions.

**Subpart E—Solid Minerals—General**

- 218.200 Payment of royalties, rentals, and deferred bonuses.
- 218.201 Method of payment.
- 218.202 Late payment or underpayment charges.
- 218.203 Recoupment of overpayments on Indian mineral leases.

**Subpart F—Geothermal Resources**

- 218.300 Payment of royalties, rentals, and deferred bonuses.
- 218.301 Method of payment.
- 218.302 Late payment or underpayment charges.

**Subpart G—Indian Lands [Reserved]**

AUTHORITY: 25 U.S.C. 396 *et seq.*, 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.*, 351 *et seq.*, 1001 *et seq.*, 1701 *et seq.*; 31 U.S.C.A. 3335; 43 U.S.C. 1301 *et seq.*, 1331 *et seq.*, 1801 *et seq.*

**Subpart A—General Provisions**

**§218.10 Information collection.**

The information collection requirements contained in this part have been approved by OMB under 44 U.S.C. 3501 *et seq.* The forms, filing date, and approved OMB clearance numbers are identified in 30 CFR 210.10.

[57 FR 41867, Sept. 14, 1992]

**§218.40 Assessments for incorrect or late reports and failure to report.**

(a) An assessment of an amount not to exceed \$10 per day may be charged for each report not received by MMS by the designated due date.

(b) An assessment of an amount not to exceed \$10 may be charged for each incorrectly completed report.

(c) For purposes of reports required for the Auditing and Financial System (AFS), a report is defined as each line item on a Form MMS–2014. The line item consists of the various information, such as Product Code or Selling Arrangement Code, relating to each Accounting Identification Number (AID).

(d) An assessment under this section shall not be shared with a State, Indian tribe, or Indian allottee.

(e) The amount of the assessment to be imposed pursuant to paragraphs (a)